

# House File 544 - Introduced

HOUSE FILE 544

BY JOHNSON

(COMPANION TO SF 394 BY  
KOELKER)

## A BILL FOR

1 An Act exempting from the state sales and use tax the sales  
2 price of lodging supplies sold to a lodging provider.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 423.3, Code 2023, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 110. *a.* The sales price of lodging  
4 supplies sold to a lodging provider if the lodging supplies are  
5 consumed or used by the customer of the lodging provider.

6 *b.* As used in this subsection:

7 (1) "*Customer*" means a user as defined in section 423A.2.

8 (2) "*Lodging provider*" means the same as defined in section  
9 423A.2.

10 (3) "*Lodging supplies*" means toilet tissue, facial tissue,  
11 shampoo, conditioner, complimentary toiletries, running water,  
12 electrical service provided to a guest room, bottled water,  
13 towels, sheets, blankets, pillows, wrapped glasses, coffee  
14 cups, internet service, television service, pens, paper, phone  
15 service, and cleaning supplies.

16 EXPLANATION

17 The inclusion of this explanation does not constitute agreement with  
18 the explanation's substance by the members of the general assembly.

19 This bill exempts from the state sales and use tax the sales  
20 price of lodging supplies sold to a lodging provider.

21 Under the bill, such lodging supplies are exempt if the  
22 lodging supplies are consumed or used by the customer of the  
23 lodging provider.

24 The bill defines customer, lodging provider, and lodging  
25 supplies.

26 By operation of Code section 423.6, an item exempt from the  
27 imposition of the sales tax is also exempt from the use tax  
28 imposed in Code section 423.5.